

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM**  
**400 P Street, Room 1120**  
**P.O. Box 942702**  
**Sacramento, California 94229-2702**

March 8, 2000

**NOTICE OF MODIFICATIONS TO  
TEXT OF PROPOSED AMENDMENT**

Pursuant to the requirements of Government Code section 11346.8(c), and section 44 of Title 1 of the California Code of Regulations, the Board of Administration (Board) of the California Public Employees' Retirement System (CalPERS) is providing notice of changes made to the proposed amendment of section 554.4 which was the subject of a regulatory hearing on February 15, 2000. These changes are in response to comments received regarding the proposed amendment.

The Board will accept written comments regarding the proposed changes between March 9, 2000 and March 23, 2000. All written comments must be received by the Regulations Coordinator no later than 5:00 p.m. on March 23, 2000 at the following address:

Judy Daggao, Regulations Coordinator  
California Public Employees' Retirement System  
400 P Street, Room 1120  
P.O. Box 942702  
Sacramento, California 94229-2702

All written comments received by March 23, 2000, which pertain to the indicated changes, will be reviewed and responded to by CalPERS staff as part of the compilation of the rulemaking file. Please limit your comments to the modifications to the text.

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM**  
**400 P Street, Room 1120**  
**P.O. Box 942702**  
**Sacramento, California 94229-2702**

March 8, 2000

**UPDATED INFORMATIVE DIGEST**

The Board of Administration (Board) of the California Public Employees' Retirement System (CalPERS) has revised the proposed amendment of section 554.4 by increasing the maximum number of words for a candidate's statement to 200; deleting language limiting the subject matter of a candidate's statement to his or her own personal background and qualifications; restoring language allowing statements indicating a candidate's opinion or position on issues of general concern to CalPERS members; restoring language prohibiting inherently misleading remarks; deleting language limiting the authority to change or withdraw a candidate statement, once filed, to the Election Coordinator; and adding new language establishing a process for review and revision of candidate statements. There have been no other changes in the laws related to this proposed action or to the effect of the proposed regulation from the laws and effects described in the Notice of Proposed Regulatory Action.

## TITLE 2. CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

### Text of Modified Amended Regulation

CalPERS has illustrated changes to the original text in the following manner: amendment language originally proposed is underlined, for additions, and shown in strikeout for deletions; deletions from the language originally proposed are shown in double-strikeout; additions to the language originally proposed are double-underlined; and language deleted from the original text by the amendment as noticed which was restored in the amendment as modified is shown in dotted underline.

#### § 554.4. Candidate Statements.

Each candidate for an elective Board member position may provide a statement including the candidate's name, the word "Incumbent" when the candidate is the incumbent in the position for which the election is being held, job classification, employer (or employer at retirement), years of CalPERS-covered service, and a brief factual, biographical description of no more than ~~450~~ 200 words of the candidate's education and background, and a list of organizations to which the candidate belongs, and positions held in those organizations. ~~The statement shall be limited to a recitation of the candidate's own personal background and qualifications, and shall not in any way make reference to other candidates for office or to another candidate's qualifications, character or activities.~~ Statements indicating the candidate's opinion or positions on issues of general concern to the System's membership may be included, so long as they are clearly stated as the candidate's opinion or view. The statement must be truthful, and shall not include other information. ~~The statements must~~ shall not include any remarks or questions that are inherently misleading, including rhetorical remarks and questions that are inherently misleading.

The statement shall be filed with the Election Coordinator at the time the candidate accepts nomination. ~~Once filed, statements may not be changed or withdrawn except by the Election Coordinator.~~ The Election Coordinator shall reject or edit any statement which contains obscene, vulgar, profane, scandalous, untrue, libelous or defamatory matter or which does not meet the statement limitations stated above. The Election Coordinator may request the candidate to verify the truthfulness of any factual statements. The candidate shall provide timely verification upon such request. The Election Coordinator shall remove from the ballot the name of any candidate who fails to respond to such a verification request.

The Election Coordinator shall distribute all candidate statements to each candidate in the respective contest prior to final acceptance. Each candidate shall have a minimum of 10 calendar days (or such longer period as the Election Coordinator may provide to all candidates) after the distribution of the candidate

statements by the Election Coordinator to make final changes to the candidate's statement. After the expiration of this period, no statement may be changed or withdrawn.

Nothing in this section shall be deemed to make candidate statements or the authors thereof free or exempt from any civil or criminal action or penalty because of any false, slanderous or libelous statements offered for printing or distributed to voters. Information contained in the statement is the responsibility of the candidate and the Public Employees' Retirement System accepts no responsibility for the validity of the statement or the contents thereof.

NOTE: Authority cited: Section 20121, Government Code. Reference: Section 20096, Government Code.

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM**  
**400 P Street, Room 1120**  
**P.O. Box 942702**  
**Sacramento, California 94229-2702**

March 8, 2000

**NOTICE OF ADDITION OF DOCUMENTS  
AND INFORMATION TO RULEMAKING FILE**

Pursuant to the requirements of Government Code sections 11346.8(d) and 11346.9(a)(1), and section 45 of Title 1 of the California Code of Regulations, the Board of Administration (Board) of the California Public Employees' Retirement System (CalPERS) is providing notice that documents and other information which the agency has relied upon in adopting the proposed amendment of section 554.4 have been added to the rulemaking file and are available for public inspection and comment.

The documents and information added to the rulemaking file are as follows:

1. Written comment (letter), James McRitchie, dated November 22, 1999.
2. Written comment (e-mail), James McRitchie, sent October 24, 1999.
3. Written comment (petition), Lori Christensen, 4 signatures, dated November 17, 1999.
4. Written comment (petition), James Morgan, 27 signatures, dated November 17, 1999.
5. Written comment (letter), Richard Connor, Torrance Police Officers' Association, dated November 11, 1999.
6. Written comment (letter), Steven H. Brackett, Santa Monica Police Officers' Association, dated November 4, 1999.
7. Written comment (letter & e-mail), Bill Fabre, dated November 22, 1999.
8. Written comment (letter), J.J. Jelincic, dated November 22, 1999.
9. Written comment (e-mail), Laura Harling, sent November 11, 1999.
10. Written comment (letter), James Morgan, dated November 7, 1999.
11. Written comment (letter), Charles Oates, Torrance Police Retirees Association, dated November 4, 1999.
12. Written comment (letter), Frances (Fran) M. Dillon, dated November 4, 1999.
13. Written comment (e-mail), Mark Whisler, sent November 8, 1999.
14. Written comment (e-mail), Bruce Johnson, sent October 22, 1999.
15. Written comment (letter), Robert W. Ford, dated October 18, 1999.
16. Written comment (fax), Alan J. Garcia, Retired Peace Officers' Association of California, dated February 10, 2000.

17. Written comment (e-mail), Phil Hinson, sent February 11, 2000.
18. Written comment (petition), Shirley B. Cassell, CalPERS received February 9, 2000.
19. Written comment (petition), Joseph A. O'Brien, CalPERS received February 1, 2000.
20. Written comment (petition), James H. Davis, CalPERS received January 31, 2000.
21. Written comment (e-mail), Robert Hoffman, sent January 25, 2000.
22. Written comment (fax), Dan Aguirre, California Association of Professional Scientists, dated November 23, 1999.
23. Written comment (fax), Dan Aguirre, California Association of Professional Scientists, dated July 27, 1999.
24. Written comment (e-mail), Michael Roskey, sent January 10, 2000.
25. Written comment (e-mail), Dave Hart, sent January 9, 2000.
26. Written comment (e-mail), Nick Neilson, sent November 26, 1999.
27. Written comment (letter), Walter Rice, dated November 19, 1999.
28. CalPERS response to Charles Oates, Torrance Police Retirees Association letter dated November 4, 1999.
29. CalPERS response to Richard Connor, Torrance Police Officers' Association letter dated November 11, 1999.
30. CalPERS response to Steven H. Brackett, Santa Monica Police Officers' Association letter dated November 4, 1999.
31. Testimony of James McRitchie Regarding Proposed Rules on CalPERS Candidate Statements, submitted February 15, 2000.
32. Written comment (petitions), 175 signatures, submitted February 15, 2000.
33. Written comment (letter), Charles Oates, Torrance Police Retirees Association, submitted February 15, 2000.
34. Written comment (petitions), 17 signatures, submitted February 15, 2000.
35. Agenda Item 5, May 18, 1999, Subject: Candidate Statement Regulation Update.
36. Transcript, Meeting State of California Public Employees' Retirement System Benefits and Program Administration, May 18, 1999, Pages 184 – 216.
37. CalPERS Board of Administration Benefits and Program Administration Committee Minutes of Meeting, May 18, 1999.
38. Benefits and Program Administration Committee Agenda Item 6, February 15, 2000, Subject: Public Hearing and Committee Recommendation: Proposed Amendment To Candidate Statement Regulation.
39. Benefits and Program Administration Committee Meeting Summary, February 15, 2000.

These documents are available for public inspection at CalPERS headquarters located at 400 P Street, Sacramento, California from March 9, 2000 through

March 23, 2000 between the hours of 9:00 a.m. and 5:00 p.m. Written comments regarding these documents and other information must be received by the Regulations Coordinator no later than 5:00 p.m. on March 23, 2000 at the following address:

Judy Daggao, Regulations Coordinator  
California Public Employees' Retirement System  
400 P Street, Room 1120  
P.O. Box 942702  
Sacramento, California 94229-2702

All written comments received by March 23, 2000, which pertain to the above-listed documents and other information, will be reviewed and responded to by CalPERS staff as part of the compilation of the rulemaking file.